

**CENTRAL MICHIGAN  
UNIVERSITY**



# REPORT to the HOUSE EDUCATION COMMITTEE

DECEMBER 8, 2009

**THE CENTER**  
**FOR**  
**CHARTER SCHOOLS**  
CENTRAL MICHIGAN UNIVERSITY



# THE CENTER FOR CHARTER SCHOOLS

## OUR MISSION

To transform public education through our state and national leadership and gold standard approach to chartering schools, overseeing and supporting their operations, and evaluating their performance.

## OUR VISION

We envision a diverse and dynamic public education marketplace that fosters academic excellence for all children.

## OUR VALUES

We are an innovative, results-oriented organization that values and empowers passionate professionals who are committed to quality and accountability, and known for our integrity.

“  
*[Charter schools] are public schools founded by parents, teachers, and civic or community organizations with broad leeway to innovate -- schools I supported as a state legislator and a United States senator. But right now, there are many caps on how many charter schools are allowed in some states, no matter how well they're preparing our students. That isn't good for our children, our economy, or our country.*”

**THE CENTER**  
FOR  
**CHARTER SCHOOLS**  
CENTRAL MICHIGAN UNIVERSITY

Central Michigan University  
Mount Pleasant, MI 48859  
[www.TheCenterForCharters.org](http://www.TheCenterForCharters.org)  
(989) 774-2100  
[Info@TheCenterForCharters.org](mailto:Info@TheCenterForCharters.org)

President  
Barack Obama  
*Address to the Hispanic  
Chamber of Commerce  
March 10, 2009*

# HISTORY AND OVERVIEW

"Charter schools" are a legislative strategy being used by policymakers to advance public education by infusing choice, change and competition into the public education system in order to transform it into a diverse and dynamic education marketplace that fosters academic excellence for all children. In Michigan, charter schools are a different type of public school that are:

- *Public schools, governed by public officials.*
- *Free—they are prohibited from charging tuition.*
- *Open to all—if oversubscribed, an official random selection drawing is conducted.*
- *Required to employ certified teachers.*
- *Required to administer the state MEAP tests.*
- *Subject to health and safety codes, like all other public schools.*

In 1991, this strategy was first enacted into law by the Minnesota Legislature, and was set into motion by a few pioneering school leaders. Since then, it has been legislatively implemented in 39 states, Puerto Rico, and the District of Columbia. It has blossomed into a national movement of over 4,900 charter public schools educating over 1.5 million students, according to the National Alliance for Public Charter Schools.

In 1993, Michigan became the 9th state to enact a charter school law. Under this new law in 1994, the Central Michigan University

(CMU) Board of Trustees built upon its 100-year history of leadership in improving public education by becoming the first public body in Michigan, and the first university in the nation, to charter a public school. The first schools chartered by CMU opened in 1994. Later that year, Michigan's charter law faced legal challenges that lasted until 1997, when the Michigan Supreme Court affirmed the law's constitutionality.

Today, CMU authorizes 58 public school academies, which together operate 75 sites throughout the state. This represents 25% of all schools chartered in Michigan. They are overseen and supported by The Center for Charter Schools at CMU. Together, academies chartered by CMU serve approximately 30,000 students—which represents 30% of all students who attend a Michigan charter school and, if considered a school district, would be the second largest in the state. Of the students served, 64% are minorities, 63% are economically disadvantaged, and 10% receive special education services. Also, of the 30,000 students served, approximately 10,000 of them live in Detroit.

Because of rigorous practices of creating and maintaining high standards, CMU is known as the "Gold Standard" for authorizing and overseeing charter schools, and has been recognized by many, including both the Michigan and U.S. Departments of Education, National Association of Charter School Authorizers, Center for Education Reform, and other leading individuals and organizations.

---

“Strong public charter school laws help encourage innovation and competition, as well as provide increased options for public school choice.”

---

National Governor's Association





# LEGAL AND REGULATORY FRAMEWORK OF MICHIGAN'S CHARTER SCHOOLS

“To win [the Race to the Top grant], we must put forth our best and boldest ideas for helping all Michigan students succeed in our K through 12 schools, colleges and universities, and ultimately in our workplaces. And we'll need to turn around our lowest-performing schools. We'll need to boost the number of high quality charter schools, and increase the ranks of effective teachers and principals.”

Governor Jennifer Granholm  
Weekly Radio Address  
November 20, 2009

Michigan's primary charter public schools law is Part 6a of the Revised School Code. This law empowers state public universities, community colleges, intermediate school districts, and local school districts to voluntarily become an authorizing body and issue contracts, or charters, through a competitive application process for the organization and operation of “public school academies,” more commonly referred to as charter schools.

CMU's Board of Trustees was the first university board to become an authorizing body in Michigan and is known as the largest university authorizer of charter schools in the country. The Center for Charter Schools at CMU was established to fulfill the Board's obligations to provide sufficient oversight to be able to “certify the public school academy is in compliance with statute, rules, and the terms of the contract,” as required by Michigan law (MCL 380.502(4)). Core authorizer responsibilities are:

1. Chartering public school academies, which includes holding competitive application processes to review and award charter contracts.
2. Overseeing and supporting their operations, which includes monitoring academies' actions and holding them accountable to the terms of their charter contract and applicable law.
3. Evaluating their performance, which includes reauthorizing contracts based upon the academies' previous performance, future trajectory and compliance with the terms of their charter contract and applicable law.
4. Serving as a limited fiscal agent, which includes receiving State School Aid payments and forwarding those payments to academies.
5. Appointing and reappointing board members, in accordance with CMU Board policy.

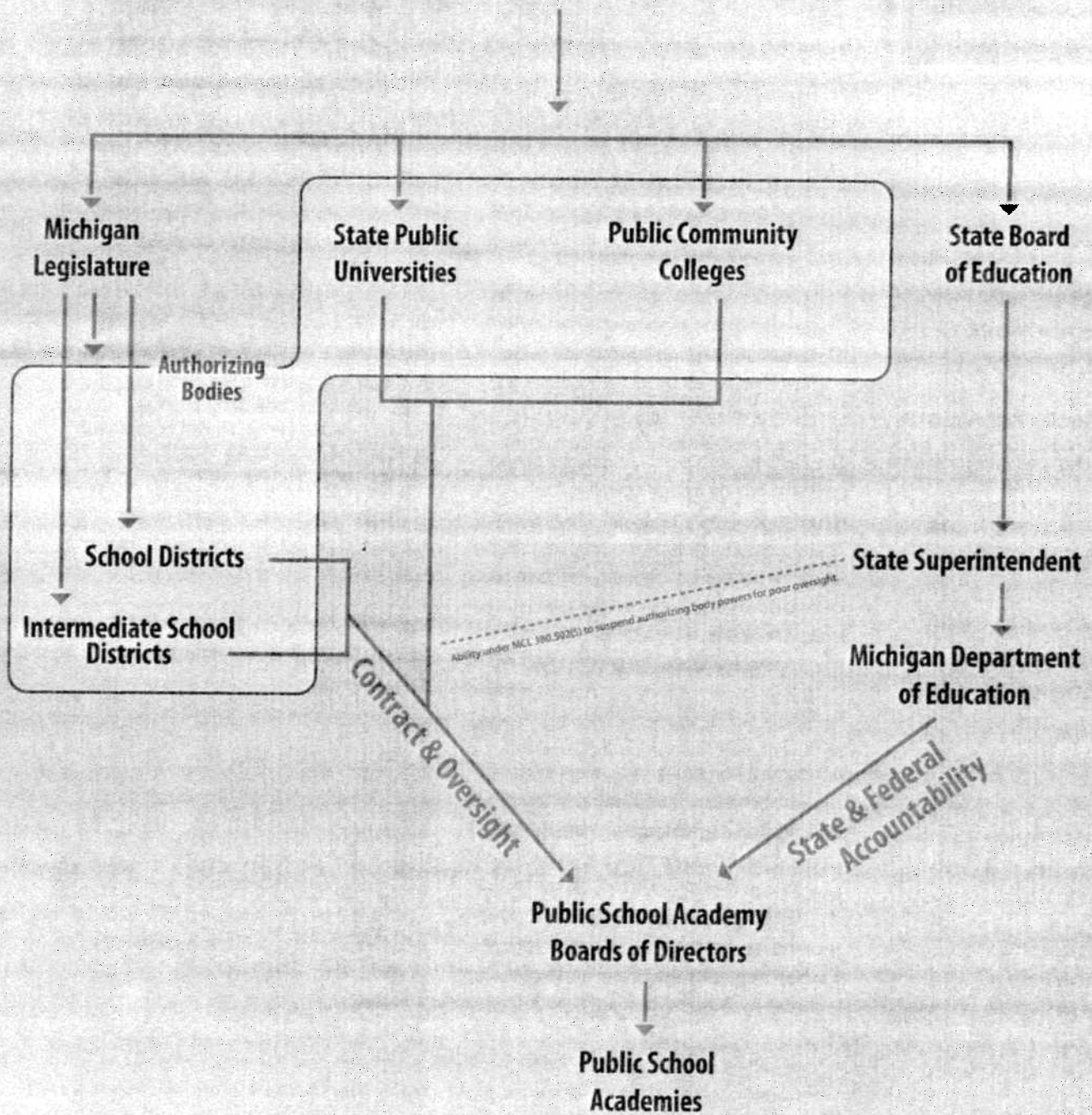
To fulfill these core responsibilities, the CMU Board of Trustees has adopted and implemented key operating policies, including CMU's chartering policies (initially adopted at the Board's July 21, 1994, meeting), selection criteria (initially adopted at the Board's December 2, 1994, meeting), and method of selection, appointment, and removal of public school academy board of directors (initially adopted at the Board's September 18, 1998, meeting).

Public school academies operate in much the same way as all other public schools, they are tuition-free, admission is open to all, and they operate under the leadership of a board. Academies must comply with essentially the same statutory and regulatory requirements as all other K-12 public schools, including the federal No Child Left Behind Act and the state's Education YES! accountability system, and special education law. Because of this, several public bodies and agencies have oversight responsibilities associated with charter schools.

Because a charter school has a legal contract, or charter, with a Michigan authorizer that holds the academy accountable for complying with applicable law and fulfilling the terms of their charter contract, they operate under an additional level of oversight not found in other public schools. Accordingly, the Center coordinates with other local, state, and federal agencies, to provide this oversight. If an authorizing body were to be found not to be providing sufficient oversight, Michigan law allows the state Superintendent of Public Instruction the ability to suspend the authorizing body's ability to issue new contracts (MCL 380.502(5)). However, as an authorizing body, CMU is not subject to the control of the Michigan Department of Education or other state agencies.

## OVERVIEW OF CHARTER SCHOOLS' LEGAL & REGULATORY FRAMEWORK

# MICHIGAN CONSTITUTION







# CHARTERING SCHOOLS: CMU'S COMPETITIVE APPLICATION PROCESS

Under Michigan law, any person or entity can submit an application to create a charter school. Authorizers are required to review and approve these applications on a competitive basis:

*An authorizing body is not required to issue a contract to any person or entity. Public school academy contracts shall be issued on a competitive basis taking into consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed public school academy. (MCL 380.503(1))*

The CMU Board's policy on charter school selection criteria further specifies the elements that must be taken into account. These elements include the proposed academy's educational goals, curriculum, instructional design, assessment and evaluation, personnel, facilities, business plan, and compliance.

As the administrative designee of the CMU Board's authorizing activities, the Center conducts a comprehensive, multi-phase review of charter applications prior to making a recommendation to the CMU Board. Phase I consists of a high-level overview of the proposed academy. Phase II is highly rigorous and requires significantly more work and detail than Phase I. It ranges from detailed demographic data

about the student population to be served, to the curriculum to be used, to the facility, its location and its suitability as a learning environment, to the academy's budget and business plan.

Michigan law imposes a cap on the number of charters that can be granted by state public universities. In total, state public universities are limited to issuing 150 charter contracts. Not more than 75 charters can be issued by any single university. Michigan's public universities reached this cap in 1999, and, as a result, CMU can only charter a new academy if an existing academy is closed.

This has resulted in significant competition for CMU's charters, when they become available. For example, the Center received 41 Phase I applications during its last application period. Nine of the 41 were invited to continue into the next phase.

Even though there were several highly qualified development teams, because of Michigan's cap, the Center was only able to invite one of the nine Phase II applicants to continue on and begin preparing the legal documents necessary for the CMU Board to approve and issue the charter. This is an intensive time during which the Center performs significant due diligence to ensure that everything is legally structured, arms-length and free from conflicts of interest, and the academy can successfully begin its operations.

---

“ We need more authorizers like CMU—willing to challenge paradigms, charter new learning opportunities for children and their communities and drive dramatic improvements in quality and the whole of American education. ”

---

Jeannie Allen,  
President  
*Center for Education Reform*  
2002

# CHARTERING SCHOOLS: ISSUANCE OF CHARTER CONTRACTS AND APPOINTMENT OF BOARD MEMBERS

Once a competitive application process is complete, the CMU Board has authorized the Center to proceed and has appointed the academy's board of directors, a charter contract is developed. A charter contract is highly detailed, as prescribed by Michigan Law, and includes the following:

- *Legal elements, including the authorizing resolution, contract terms and conditions, and articles of incorporation;*
- *Bylaws, including the method of academy board selection, appointment, and removal;*
- *A description of how CMU's fiscal agent and oversight duties will be administered;*
- *The academy's governance structure and staff responsibilities;*
- *A description of the academy's physical plant;*
- *The academy's educational goals and a description of its educational program and curriculum;*
- *The method for assessing the academy's academic performance;*
- *The academy's application and enrollment procedures, and the academy's calendar and school day schedule;*
- *The age or grade range of students to be served.*

Initially, charter contracts are generally issued for five-year terms. Prior to the expiration of this initial period, the Center makes a reauthorization recommendation to the CMU Board based on the academy's performance. Each charter issued by the CMU Board is a performance contract and clearly defines roles and responsibilities.

The charter contract is between the CMU Board and the academy's board of directors, and is filed with the Michigan Department of Education. Each academy is incorporated as a Michigan nonprofit corporation, is a body corporate, and a governmental entity under Michigan law.





## CHARTERING SCHOOLS: ISSUANCE OF CHARTER CONTRACTS AND APPOINTMENT OF BOARD MEMBERS (CONT'D)

Unique to Michigan, the governing board members of a charter school swear a constitutional oath of office, serve as public officials, and have the primary responsibility for ensuring the academy complies with its charter contract and applicable law. Under Michigan law, the CMU Board is responsible for appointing the academy's board of directors:

*An authorizing body shall adopt a resolution establishing the method of selection, length of term, and number of members of the board of directors of each public school academy subject to its jurisdiction. (MCL 380.503(4))*

The CMU Board's policy on the method of selection, appointment, and removal of members of charter school boards of directors establishes a process for recommending board members for the CMU Board's consideration. Pursuant to this policy:

- *The charter school board approves a resolution nominating the new board candidate and forwards it to the Center for consideration.*
- *The candidate completes a written application and submits it to the Center for review. The Center*

*vets the application, completes a criminal background check, and conducts a personal interview. Potential conflicts of interest are also disclosed and reviewed.*

- *A recommendation is made by the Center to the CMU Board, which appoints new board members.*
- *The incoming board member then swears the Constitutional Oath of Office and files it with the Center prior to beginning his/her service.*

After new board members are appointed, the Center works in partnership with them to help make a strong, lasting impact on the quality of the academies they govern. This includes providing board members with the orientation and training they need to become increasingly more effective. The Center also works to ensure that board members are acting in good faith as they execute their responsibilities as public officials. This multi-faceted approach allows for the continuous improvement of board members. It also provides the Center with the ability to identify the rare charter board member who is not acting in good faith and take appropriate action, ensuring that the entire board can continue to be effective at serving students and families.

“Authorizers matter a lot to that process [of creating quality schools] and this is a place where Michigan is well positioned. I think that, in the national conversation, Central Michigan and the work that Jim Goenner is doing comes up again and again as a national model of how charter school authorizers should operate.”

Andrew Rotherham,  
Co-Founder, Education  
Sector

*Testifying before the Michigan  
Senate Education Committee  
November 5, 2009*



Photograph by: Dave Trumpie





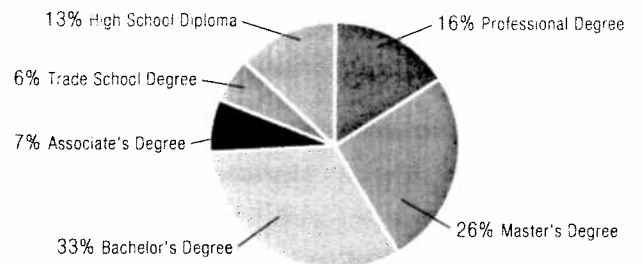
# BOARD MEMBER DEMOGRAPHICS

Each of the 58 schools chartered by CMU is governed by a public school board. Members of these boards are public officials and swear the Constitutional Oath of Office. As such, they are held to the same standards as other public officials in Michigan.

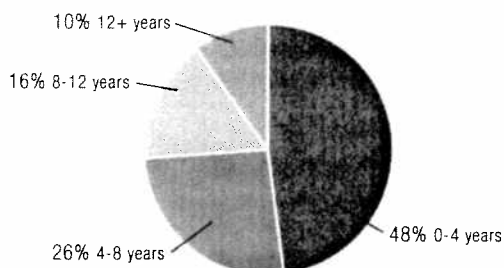
- 4 schools are governed by 9-member boards.
- 17 schools are governed by 7-member boards.
- 37 schools are governed by 5-member boards.

Currently, there are 338 board positions.

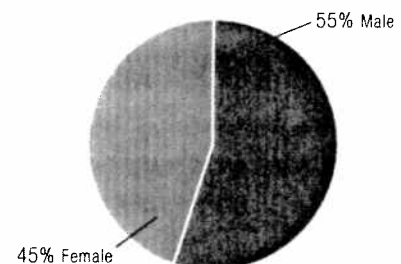
EDUCATIONAL ATTAINMENT



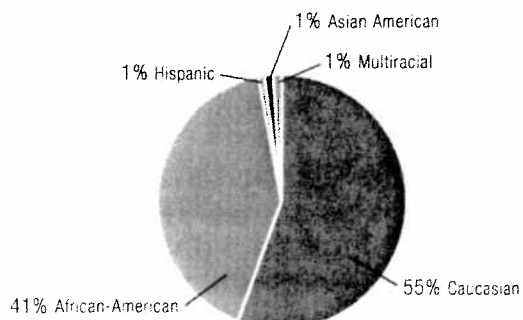
YEARS OF SERVICE



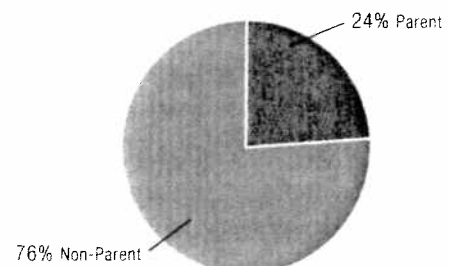
GENDER



ETHNICITY



PARENTS ON A BOARD





# OVERSEEING AND SUPPORTING SCHOOL OPERATIONS

“The charter movement is absolutely one of the most profound changes in American education, bringing new options to underserved communities and introducing competition and innovation into the education system.”

U.S. Secretary of Education  
Arne Duncan

National Alliance for Public Charter Schools' annual conference

June 22, 2009

As the administrative designee for the CMU Board for authorizing activities, the Center is responsible for overseeing the 58 public school academies chartered by the CMU Board. These academies operate a total of 75 school buildings and serve approximately 30,000 students. Of those students: 64% are classified as minorities, compared to 29% statewide; 63% qualify for free or reduced-price lunch, compared to 41% statewide; 20% are high school students; and 10% receive special education services.

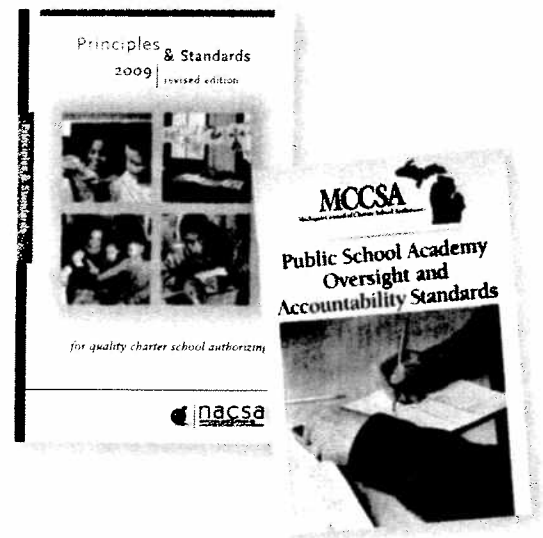
Michigan's charter law speaks directly to an authorizer's oversight obligations:

*An authorizing body shall oversee ... each public school academy operating under a contract issued by the authorizing body. The oversight shall be sufficient to ensure that the authorizing body can certify that the public school academy is in compliance with statute, rules, and the terms of the contract.*  
(MCL 502(4))

To fulfill CMU's statutory obligations, the Center has developed research-based and field-tested systems to provide essential oversight and individualized support of academies chartered by the CMU Board. The Center also adheres to, and has had a leadership role in developing, the Michigan Council of Charter School Authorizers' **Public School Academy Oversight and Accountability Standards**, and the National Association of Charter School Authorizers' **Principles and Standards for Quality Charter School Authorizing**.

The Center's oversight and accountability systems blend absolute standards, comparative standards, and growth/value-added measures in three essential areas guided by the CMU Board's chartering policies:

- Academic performance and student achievement, which looks at state assessment scores, student growth, and whether the academy has met state and federal accreditation status.
- Fiscal performance and sustainability, which looks at the measurements of organizational and fiscal viability, and whether the academy's internal controls meet industry standards.
- Operational performance and board stewardship, which looks at whether there are any compliance issues, and whether the academy's board is acting in good faith.



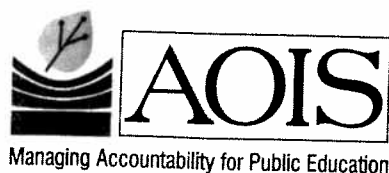
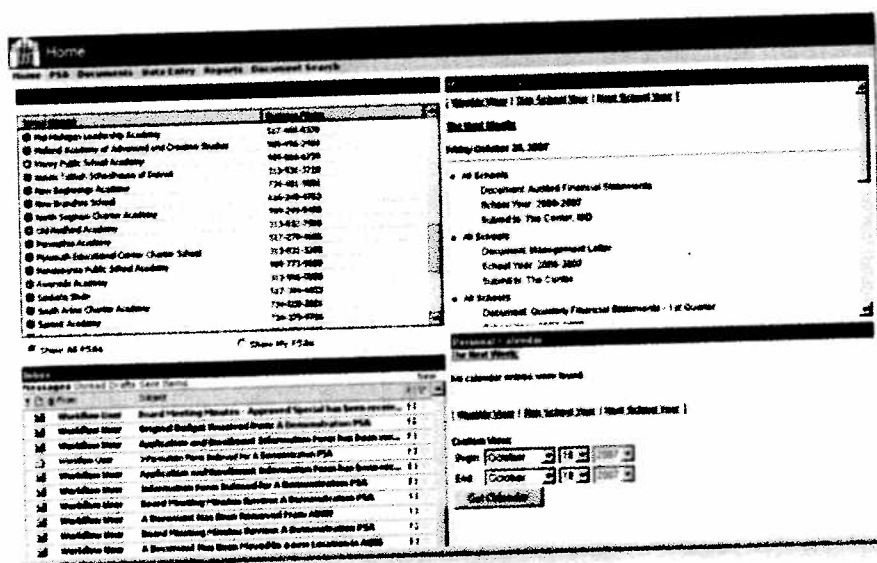
# REDUCING RED TAPE AND ENHANCING ACCOUNTABILITY

One of the systems developed by the Center to streamline oversight and monitoring, and to automate regulatory reporting, is the Authorizers Oversight Information System, or AOIS. Launched in 2001, this software helps the Center to track and maintain information regarding the compliance of each school chartered by CMU. AOIS also empowers academies with a digital document management system for their compliance documents. Because of this, it has helped increase compliance while decreasing the amount of time school administrators spend on reporting, allowing them to spend more time on their primary mission of educating students.

Though AOIS was designed specifically for the Center, it has become nationally recognized as a powerful system intended to make the work of any authorizer and school administrator much simpler to manage. Because of this, AOIS is now

being used by 14 organizations in 8 states (Arizona, Colorado, Florida, Indiana, Illinois, Michigan, Missouri and Ohio) along with the District of Columbia Charter Public School Board, to oversee schools.

Another tool that the Center uses to provide oversight to the schools chartered by CMU are its policies. For example, as educational service providers (ESPs) began to play a more significant role in the charter school sector, the Center developed policies outlining requirements to be satisfied before academy's boards and ESPs enter into a final agreement. These policies are widely recognized as a national model in the authorizing community.



# CMU'S REAUTHORIZATION PROCESS

“  
Central Michigan University  
”  
is the gold standard.

MDE Spokesperson,  
T.J. Bucholz  
2002

Reauthorization is a significant point for authorizers and academies. Reauthorization means the charter contract will soon expire and a determination must be made if the academy has achieved the goals established in its contract. Pursuant to the CMU Board chartering policies, three core questions guide the charter reauthorization process:

1. *Is the school's academic program successful?*
2. *Is the school's organization viable?*
3. *Is the school demonstrating good faith in following the terms of its charter and applicable law?*

Data and information used to answer these three core questions is continuously collected and evaluated through the

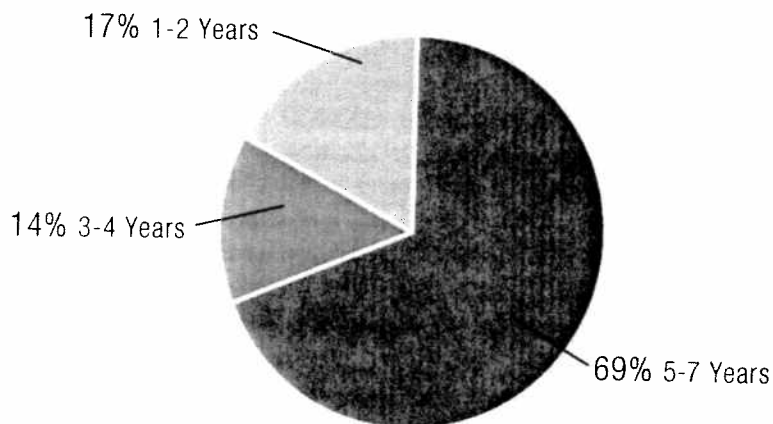
Center's oversight operations over the life of the charter contract. The Center uses this information to guide its reauthorization recommendations to the CMU Board.

One way academy performance is differentiated is through the length of the charter contract. Academies that exceed their goals are generally reauthorized for seven years. Academies that meet their goals are generally reauthorized for five years. Academies that have not met all their goals, but are demonstrating solid progress are reauthorized for three years. Academies not delivering, but that are committed to turning around, are issued a one-year probationary contract. Academies that are unwilling or unable to deliver results are not recommended for reauthorization.

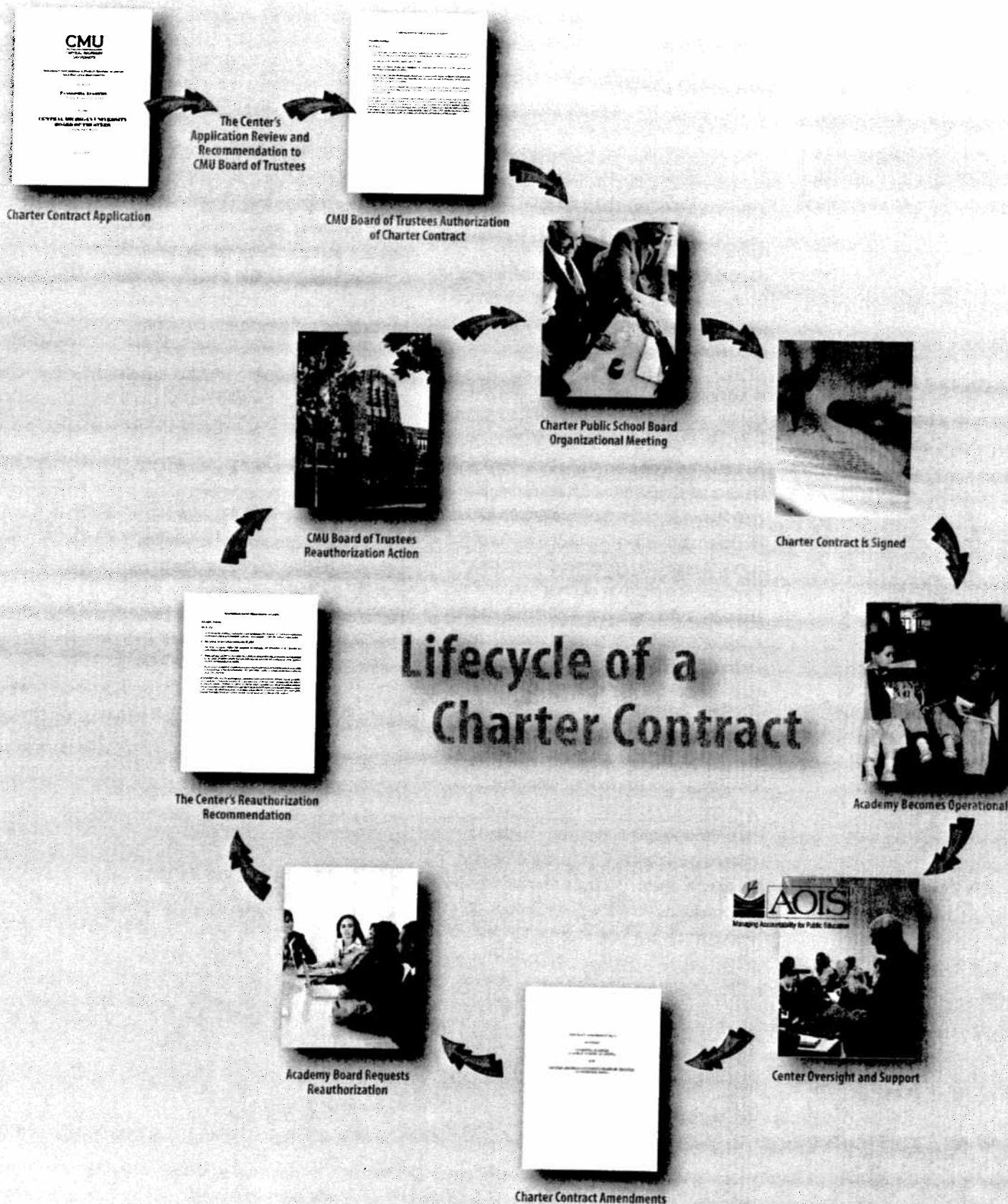
“  
Charter schools offer  
parents choice, empowering  
them to become active  
participants in their child's  
education. Demonstrating  
their commitment to  
education and choice, CMU  
brings a level of quality  
that is revitalizing public  
education in Michigan.  
”

State Board of  
Education Member  
Eileen Weiser  
2004

CONTRACT LENGTH FOR CMU'S PORTFOLIO OF SCHOOLS



Source: The Center for Charter Schools, Central Michigan University





# CMU'S ROLE AS A LIMITED FISCAL AGENT

Michigan law requires authorizing bodies to act as the "fiscal agent" for the charter schools they authorize:

*The authorizing body for a public school academy is the fiscal agent for the public school academy. ( Excerpt from MCL 380.507(1))*

Michigan Constitution to be used for certain purposes, and those funds are appropriated for a specific purpose via the State School Aid Act, they can only be used to fund CMU's authorizing activities. Consequently, the Center is funded from this revenue, and does not receive any support from CMU's general fund for its operation.

“  
Central Michigan University's  
relentless pursuit of  
excellence is helping raise  
the quality bar for the entire  
charter movement.”

Greg Richmond,  
President and CEO  
National Association of Charter  
School Authorizers

As the fiscal agent, the CMU Board's responsibilities are limited to receiving and forwarding State School Aid funds from the Michigan Department of Treasury to schools chartered by CMU.

In fulfilling this fiduciary responsibility, the Center received and processed over \$230 million in State School Aid in FY 2008-09. As provided for by the CMU Board's policy on charter school intercept agreements, over \$20 million of this was directed to lenders in accordance with the terms of the school's agreements to make necessary payments on short- and long-term financings. This has helped provide stability in the charter school lending market, making it more feasible for charter schools to engage in borrowing at reasonable rates.

Under Michigan law, the CMU Board has the ability to collect a 3% oversight fee on all state aid—including "categorical" and special education funds—received by an academy it authorizes. This fee is collected as part of CMU's responsibility as a fiscal agent. Because charter schools receive funds from the State School Aid Fund, which is a fund restricted by the

The Center uses this fee to oversee schools authorized by CMU, but also to invest in the development of programs, systems, and policies that streamline oversight, and help board members and school leaders enhance quality. In 2001, the CMU Board of Trustees chose to restrict its 3% administrative fee only to the foundation allowance, resulting in schools chartered by CMU retaining over \$2.6 million for special education and "categorical" programs.

Additionally, as part of the oversight functions guided by CMU's chartering policies, the Center monitors the fiscal health of schools authorized by CMU to help ensure that each academy is a viable organization. This consists of reviewing material such as annual audit reports, quarterly financial statements, and ensuring that academy boards of directors adopt and follow balanced budgets. It also consists of providing guidance and assistance to schools authorized by CMU to help board members and administrators develop the needed capacity to keep the academies they govern operationally sound.



Students at Capital Area Academy (left) and Linden Charter Academy (right) were featured in pictures submitted to the Center through its "Picture this" photo contest. This contest encourages teachers and school leaders to photograph



# HIGHLIGHTS FROM SCHOOLS CHARTERED BY CMU AND THE CENTER

This year, CMU celebrates 15 years of leadership in charter public education. During that time, CMU and the Center have become widely recognized as a state and national leader in chartering schools. The Center's systems and practices have become national models for other authorizers. Some of the recognition that CMU and the Center have earned includes:

- In 2002, a follow-up audit from the Office of the Auditor General 1997 audit that was critical of CMU's oversight concluded that CMU's oversight systems were first rate. The spokesperson for the Michigan Department of Education called CMU the "Gold Standard" for charter school oversight and accountability.
- In 2005, CMU received a perfect score on the Michigan Department of Education's "assurances and verification" audit. They concluded that the 18 critical oversight processes they examined on-site were "complete, well-documented, used consistently, and continuously improved on the basis of experience," and that

*what they learned will help them "reassure Michigan citizens who express concerns about public accountability for PSA Boards with regards to their operations and policies."*

- In its 2007 report, *Supporting Charter School Excellence Through Quality Authorizing*, the U.S. Department of Education highlighted the practices that make CMU one of America's outstanding authorizers.

The team at the Center is active in sharing their knowledge to transform public education. This includes service in leadership capacities in state and national organizations—including chairing the National Association of Charter School Authorizers, Michigan Council of Charter School Authorizers, and Michigan Pupil Attendance and Accounting Association—to participating in national consensus panels on charter school quality to working in partnership with CMU's Department of Educational Leadership to develop and advance CMU's online Master's degree program in charter school leadership.

## CMU's charter school program scores perfect

by IAN PATRICK GRAY  
an Staff Writer

Central Michigan University garnered a perfect score recently for the way it oversees the dozens of charter schools it authorizes.

Michigan Department of Education officials reviewed CMU's charter school program as a volunteer pilot project to discover the best way to conduct "verification visits."

"The question has always

ensure that charter school abide by the terms of their contracts and comply with state and federal laws governing education.

The report that came back was overwhelmingly positive.

In a day and a half visit, two members of the MDE's Public School Academy Program examined files and evidence and conducted interviews to confirm or discredit CMU self-assessment.

"You described all your sy



“  
One of the better  
approaches to accountability  
comes from Central  
Michigan University...  
the program takes a  
no-nonsense approach  
to setting standards and  
holding its schools to  
the mark.”

Detroit News  
2004

## HIGHLIGHTS FROM SCHOOLS CHARTERED BY CMU AND THE CENTER (CONT'D)

Center staff members are also periodically invited by policymakers to share their expertise to inform the policymaking process. Most recently, in June 2009, The United States House of Representatives Education and Labor Committee invited the Center's executive director, James N. Goenner, to testify on how supporting outstanding charter schools can help build an innovative, world-class American school system that educates all students to high levels. Also, in September 2009, the State Board of Education invited Mr. Goenner to provide a perspective on current initiatives in Michigan to turn around failing schools.

As CMU and the Center are recognized for their leadership, schools chartered by CMU are recognized for their academic achievements. Michigan Educational Assessment Program (MEAP) test scores and other key indicators show that schools chartered by CMU continue to make strong progress toward the goal of helping all children excel. These results demonstrate that the charter schools are delivering on the promise of helping all students excel; however, there is still work to be done.

Highlights include:

- As a group on the 2008 MEAP, students in schools authorized by CMU outperformed their host district counterparts in all six core academic subjects of Math, English Language Arts, Reading, Writing, Science, and Social Studies.
- As they also did in 2007, when looking at the results by grade and subject, students in schools authorized by CMU outperformed their host district counterparts on all 27 elementary and middle schools exams. In addition, these students are also increasing their proficiency rates at a greater rate in most subject areas than the statewide average.



The Center's Executive Director, Jim Goenner, was invited to testify before the U.S. House Education and Labor Committee on June 4, 2009, on the practices that make CMU a nationally renowned authorizer. Right: When charter schools are oversubscribed, a random selection drawing is held to determine which students can enroll. This clip from the *Detroit News* shows the excitement of parents whose children got accepted into a school.



Carrie George of Wayne, sitting with her husband, Mike, realizes that the chances of getting her child into Canton Charter Academy are very slim as she sits through the school's lottery on Tuesday.

## Parents line up to be chosen by charter schools

Academy in Canton, like many others, holds a lottery

BY MARJORIE KAUTH-KARJALA  
News Staff Reporter

A lottery at Canton Charter Academy earlier this week was the answer to Padmaja Chittela's prayers and to those of her daughter, 5-year-old Nikitha.

"I told her this was a good school and she's been praying for it for a while," Chittela said. Nikitha's name was drawn in a lottery Tuesday

schools managed by National Heritage Academies, a school management company. Besides Canton Charter Academy, they include Keystone Academy in Sumpter Township and Fortis Academy and South Arbor Academy, both in Ypsilanti.

Lotteries are also planned at Ann Arbor charter schools Central Academy and Honey Creek Community School. Other charter schools in the area include Howell and



- For the first time, comparing MEAP scores across all public school districts, a school chartered by CMU, Canton Charter Academy, is ranked the top performing district in the state. Also, looking at the state's top districts, two (Canton and South Arbor) of the top five school districts in Michigan are schools chartered by CMU. Of the top 10 highest-performing charter schools in Michigan, five were authorized by CMU.
- The Michigan Department of Education reports that while serving a large number of economically disadvantaged students (50% or higher), schools chartered by CMU are "beating the odds" by demonstrating high levels of proficiency (60% or higher) in the key subjects of English language arts and mathematics. Of the 52 schools that "beat the odds" in 2008 in these subjects, 18 were authorized by CMU. Twelve of these schools have "beat the odds" every year since MDE started publishing the list, demonstrating how charters are both improving and sustaining high performance over time.
- Annually, U.S. News and World Report recognizes the best high schools in the nation. In December, 2008, two schools chartered by CMU—Countryside Charter School and International Academy of Flint—were ranked among the best performing high schools by U.S. News & World Report for the second year in a row.

MICHIGAN'S TOP 25 PERFORMERS ON THE 2008 MEAP

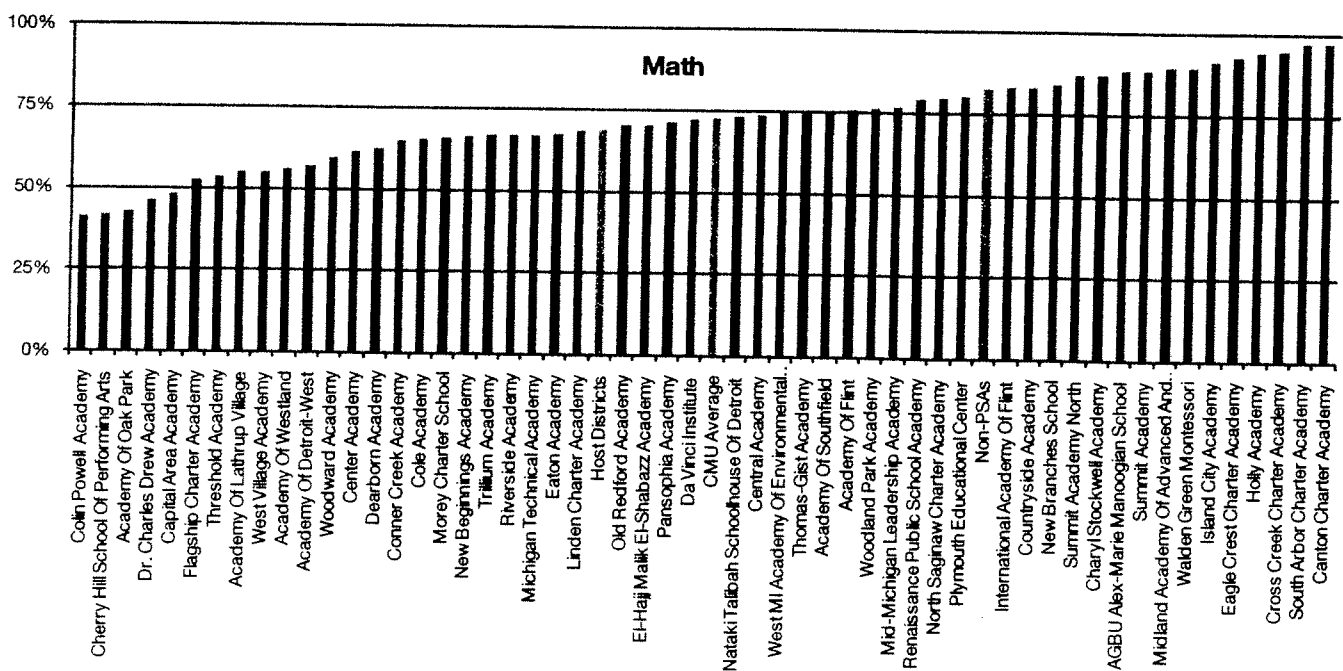
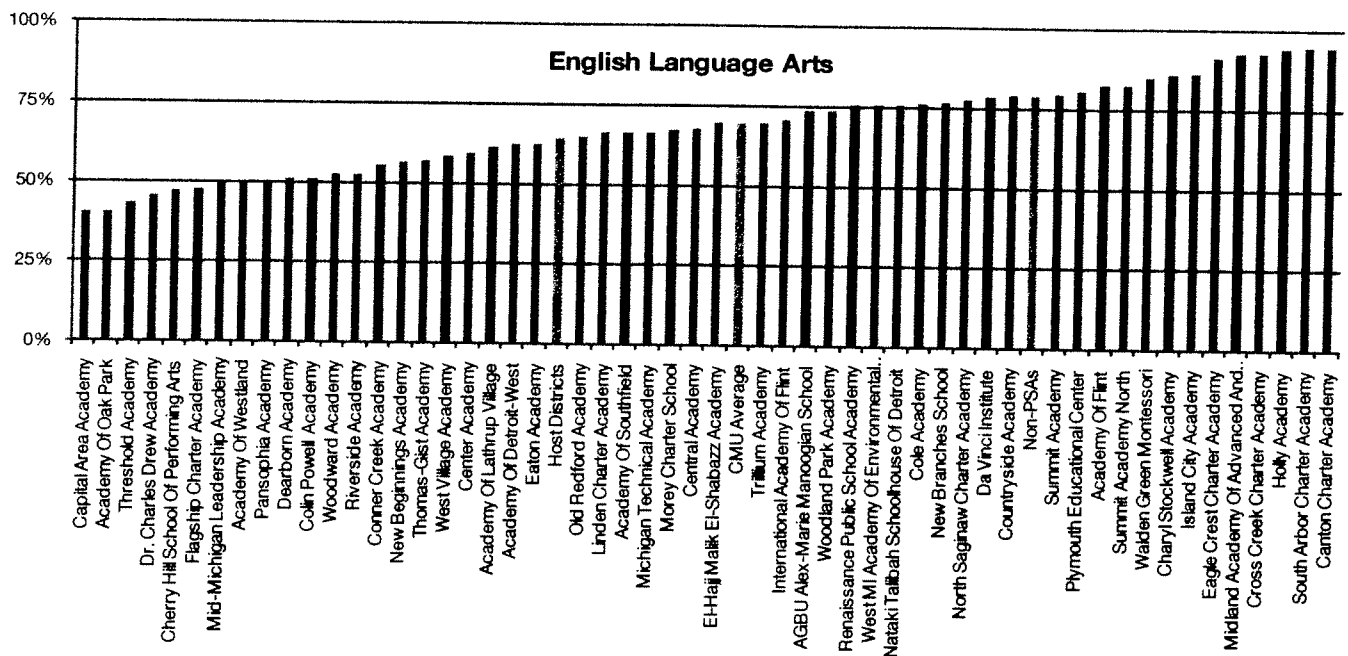
RANK	DISTRICT/CHARTER SCHOOL	PERCENT PROFICIENT
1	Canton Charter Academy	94.1%
2	Spring Lake Public Schools	93.2%
3	Moran Township School District	93.2%
4	Forest Hills Public Schools	93.2%
5	South Arbor Charter Academy	92.9%
6	Northville Public Schools	92.7%
7	Bloomfield Hills School District	92.5%
8	Martin Luther King, Jr. Education Center Academy	92.2%
9	Birmingham City School District	92.1%
10	Chandler Woods Charter Academy	92.1%
11	Rochester Community School District	91.8%
12	Haslett Public Schools	91.8%
13	East Grand Rapids Public Schools	91.6%
14	Okemos Public Schools	90.9%
15	Northwest Academy	90.9%
16	Byron Center Public Schools	90.8%
17	Saline Area Schools	90.6%
18	Novi Community School District	90.6%
19	Cross Creek Charter Academy	90.6%
20	Caledonia Community Schools	90.6%
21	Chassell Township School District	90.5%
22	Holly Academy	90.4%
23	Troy School District	90.4%
24	Hudsonville Public School District	90.1%
25	Dexter Community School District	90.0%

Charter schools are highlighted in blue. Schools chartered by Central Michigan University are:

- 1 Canton Charter Academy
- 5 South Arbor Charter Academy
- 19 Cross Creek Charter Academy
- 22 Holly Academy

# FALL 2008 K-8 MEAP RESULTS: A SCHOOL-BY-SCHOOL COMPARISON

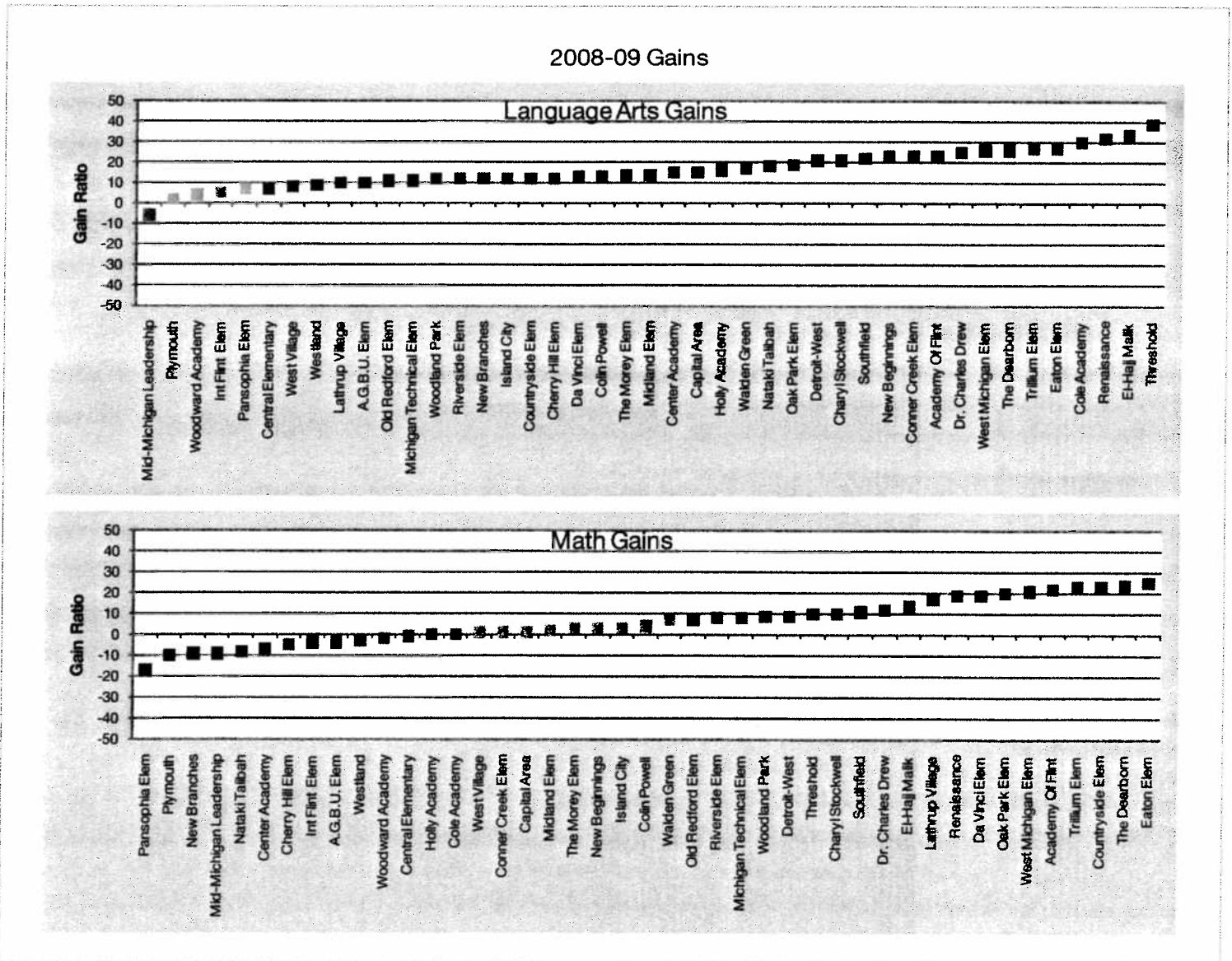
The two charts below compare how each individual school chartered by CMU performed in comparison to each other; the average for a comparison group of host districts established by the Michigan Department of Education (Host Districts); the average for all schools chartered by CMU (CMU average); and the state average for public schools that are not charters (non-PSAs).



## PERFORMANCE SERIES TESTING: ARE STUDENTS GROWING OVER TIME?

Having an understanding of each student's individual needs is essential to providing an individualized education. At schools chartered by CMU, the Performance Series (PST) helps determine where each student is at academically by allowing schools to measure the growth of individual students within a school year. Results can be used by teachers and school leaders to individualize instruction, and test results can be compared to students across the nation.

On the charts below, the horizontal line represents the expected gain based on the nationally normed sample. As shown by these charts, 100% of schools chartered by CMU in language arts and 86% of schools in math either met or exceeded the achievement gains of their national peers. Though achievement gains like these show progress, it is important to remember that many students come in far below grade level, and better-than-average gains are needed for schools to meet achievement goals necessary for reauthorization.



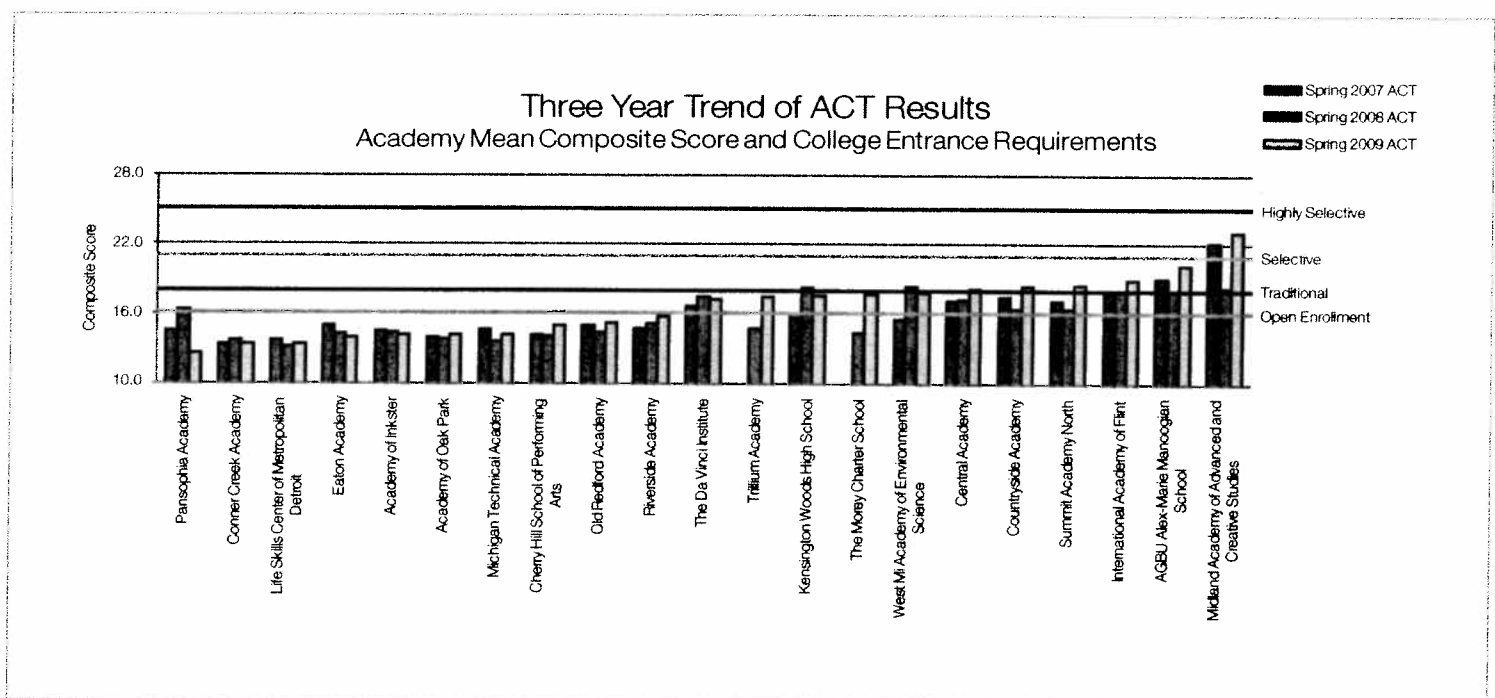
Source: Performance Series Test Data

Student growth is evident not only by PST results, but also by MEAP results. On average, MEAP results show that the longer students remain enrolled in schools chartered by CMU, the better they perform. For example, 81.5 percent of students who are enrolled at a school chartered by CMU for at least three years are proficient (earn a performance level score of 1 or 2 on the MEAP) in reading and math, compared to 67.4 percent of students who have been enrolled for fewer than three years. This is another powerful sign that schools chartered by CMU are making progress in helping all students excel.

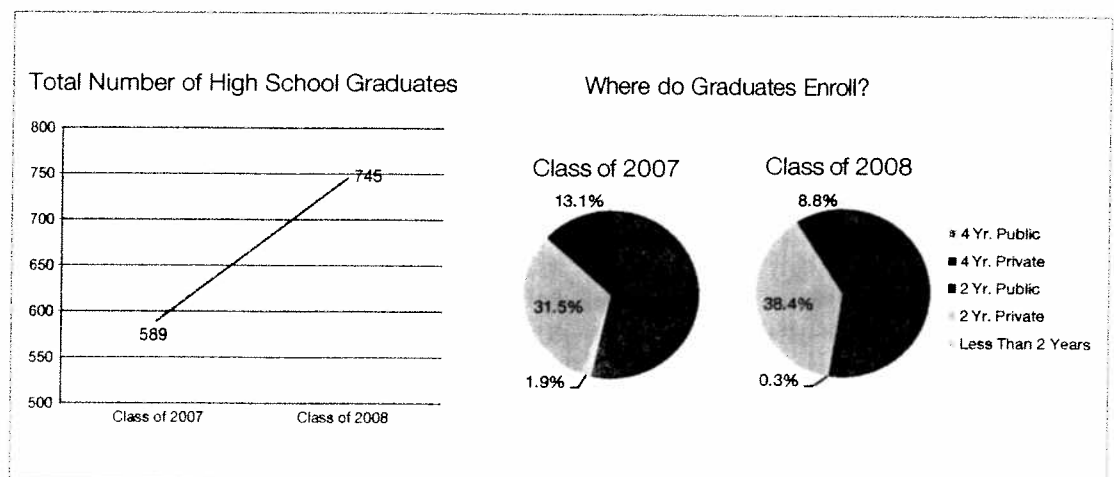
## HIGH SCHOOLS CHARTERED BY CMU DEMONSTRATE PROGRESS

As schools chartered by CMU continue to grow, this growth is most noticeable in high school grades. For example, 589 students graduated in the class of 2007 for all schools chartered by CMU, and 745 graduated in the class of 2008. Though each high school has a unique mission, two schools chartered by CMU—Countryside Charter School and International Academy of Flint—exemplify excellence and were ranked among the nation's best performing high schools by U.S. News & World Report for two years in a row.

The ACT is used by most postsecondary institutions in determining whether or not a student is admitted. It is also an important part of the Michigan Merit Exam. Below are the ACT results for the last three years for schools chartered by CMU compared to the admissions standards for different types of colleges and universities.



The number of students graduating from schools chartered by CMU grows year after year. Understanding where students are going after graduation can help high schools best prepare and support students for life. Student Tracker, a service of the National Service Clearinghouse, tracks the vast majority of students that graduate from schools chartered by CMU and enroll in college. Below are the results from this service for the graduating classes of 2007 and 2008, illustrating the progress being made in graduating students and their enrollment in college.





# U.S. News & World Report

## America's Best High Schools

Exclusive rankings of the top 100 public schools and what makes them great



### PICTURED...

1. In 2007 and 2008, high schools chartered by CMU were ranked as among the best in the nation by U.S. News and World Report.
2. Summit Academy student Carl Kenji Golimlim participated in the 2009 National Geographic Bee World Championship in Mexico City. Their team earned second place.

Photograph by: National Geographic



### PICTURED...

3. Students from Riverside Academy in Dearborn celebrate their graduation from high school.

A Sample of the  
National Charter  
Schools Institute's  
Clients

*Arizona Charter School  
Association*

*Arkansas Department of  
Education*

*Ball State University Charter  
Schools Office*

*California Charter Schools  
Association*

*Chicago Public Schools*

*Colorado League of Charter  
Schools*

*Eastern Michigan University*

*Ferris State University*

*Grand Valley State University*

*Michigan Department of  
Education*

*Missouri Baptist University*

*New Schools for New Orleans*

*Northern Michigan University*

*Ohio Department of Education*

*University of Michigan*

*University of Minnesota*

*University of Oregon*

*Urban League of Pittsburgh  
Charter Schools*

*U.S. Department of Education*

*Utah Association of Public  
Charter Schools*

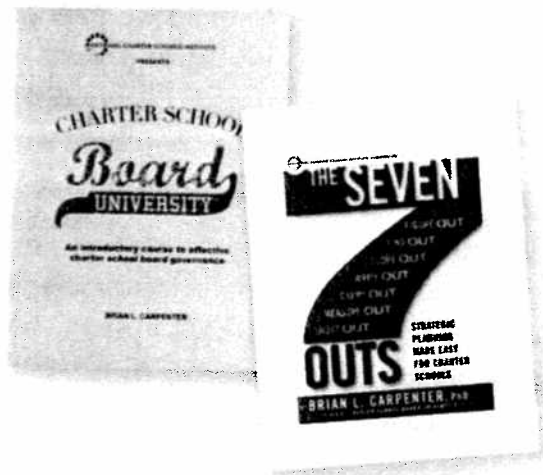
# CMU: HOME OF THE NATIONAL CHARTER SCHOOLS INSTITUTE

As home to the National Charter Schools Institute (Institute), CMU also plays a critical role in supporting the performance and development of charter schools throughout the nation.

Originally founded in 1996 as the Michigan Resource Center for Charter Schools with a mission of providing help to charter school pioneers who needed information and assistance to start a charter school, it grew into the National Charter Schools Institute in 2001 as a result of federal support.

As a 501(c)3 nonprofit corporation, the Institute cultivates charter school success by focusing on board governance and policy. It provides organizational planning and consulting services to schools throughout the nation to support them in implementing effective strategies that provide children with world-class education. The Institute also provides a board policy and update service to help schools create policy manuals that will help them ensure they are in compliance with applicable law.

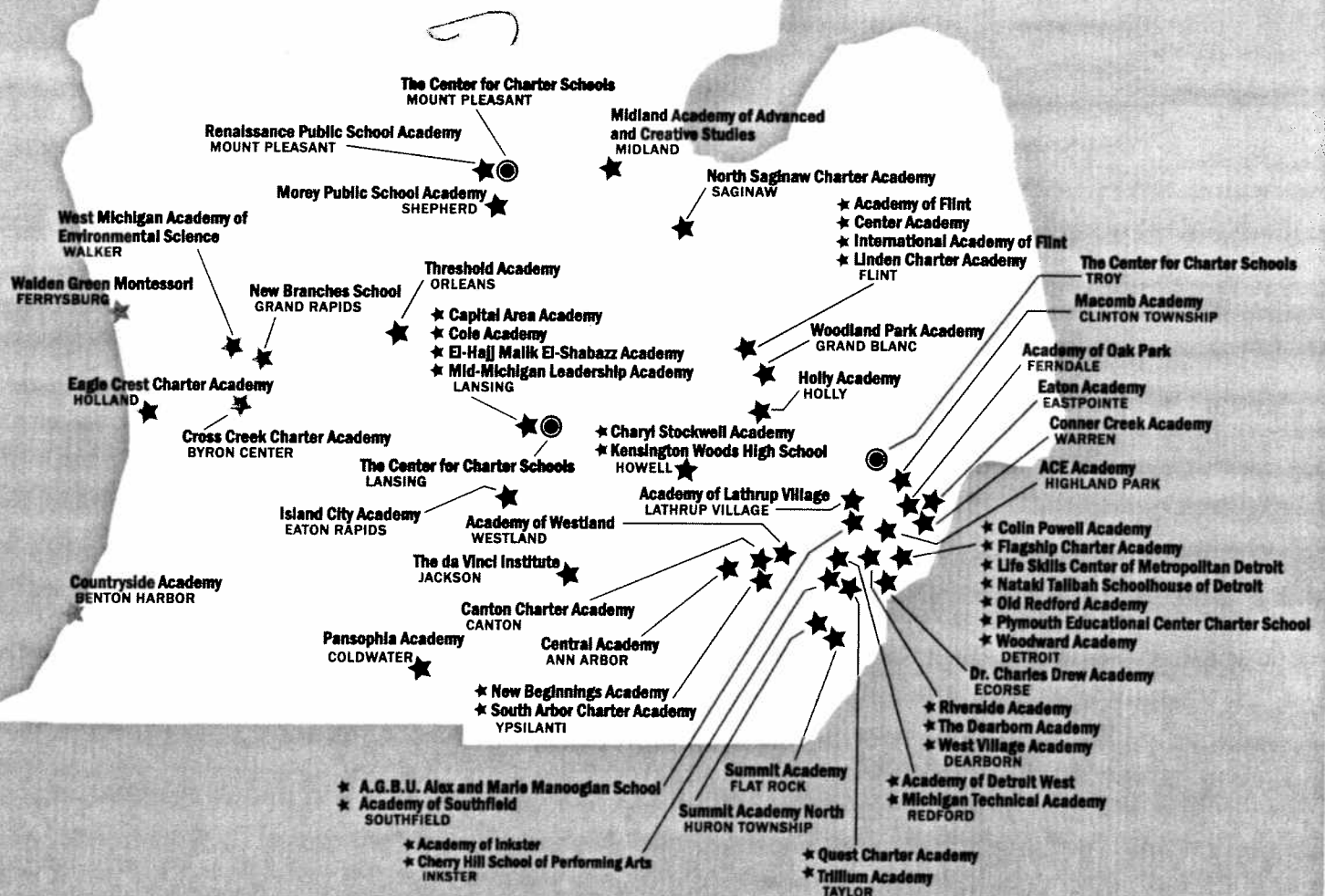
In addition to its consulting and policy services, the Institute has also published numerous monographs on topics that include strategic planning, marketing, governance, fiscal management, and understanding statistics. All are available on their Web site as a resource for existing schools and potential founders. It has also published two books, **Charter School Board University** (2006), and **The Seven Outs Model: Strategic Planning Made Easy for Charter Schools** (2008), and its cadre of consultants are invited to speak at conferences throughout the country.



# Charter Public Schools

AUTHORIZED BY

# Central Michigan University



# CMU

CENTRAL MICHIGAN  
UNIVERSITY



THE CENTER  
FOR  
CHARTER SCHOOLS  
CENTRAL MICHIGAN UNIVERSITY

(989) 774-2100 • Mount Pleasant, MI 48859

[www.TheCenterForCharters.org](http://www.TheCenterForCharters.org) • [Info@TheCenterForCharters.org](mailto:Info@TheCenterForCharters.org)

*CMU, an AA/EQ institution, strongly and actively strives to increase diversity within its community (see [www.cmich.edu/aaeo](http://www.cmich.edu/aaeo))*

# THE COUNCIL



December 8, 2009

The Honorable Tim Melton  
Chairman, House Education Committee  
Michigan House of Representatives  
PO Box 30014  
Lansing, MI 48909

Dear Chairman Melton:

The Michigan Council of Charter Schools Authorizers would like to thank you for your thoughtful efforts to improve education for children in the state. Additionally, The Council wishes to support you in your efforts to make Michigan competitive for the federal “Race to the Top” grant program, primarily in your efforts to expand quality charter schools.

Michigan has often been in the forefront of education reform and is seen as a national leader in charter public education. Michigan’s charter school sector is strong, primarily because Michigan’s authorizers adhere to quality authorizing practices. Our law has structured Michigan’s authorizers differently than those of other states. Many states require public entities, such as school districts or state departments of education to issue charter contracts. Too often, these entities do not view it as “their job” to make sure the schools they charter succeed. Sometimes they do not have the capacity to effectively oversee and support their charters.

But in Michigan, the decision to become an authorizer is voluntary. As a result, only education institutions that choose to charter—and are interested in the success of their schools—have become authorizers in Michigan.

Through The Council, Michigan’s authorizers work together to help Michigan’s charters succeed. We have developed standards and support systems that provide the right balance of oversight and support to help schools achieve their missions and help all students excel.

Michigan Council of Charter School Authorizers /  
201 Townsend / Suite 900 / *Lansing, MI 48893*  
P. 517.487.4848 / F. 517.487.4855 / [www.mccsa.us](http://www.mccsa.us)

Bay Mills Community College  
Ferris State University  
Midland County ESA  
Saginaw Valley State University

Central Michigan University  
Grand Valley State University  
Northern Michigan University  
Wayne RESA

Eastern Michigan University  
Lake Superior State University  
Oakland University





Authorizers have a role to play in ensuring high quality charters by being of high quality themselves. Michigan is recognized nationally in developing high quality authorizers. In fact, when testifying before the Michigan Senate Education Committee recently, Andrew Rotherham, former domestic policy advisor to President Clinton, praised the quality of Michigan's authorizers, citing that their work has become national examples of successful authorizing practices. Because of the legal and regulatory framework of Michigan charter school oversight, Michigan was recognized as having the 3<sup>rd</sup> best charter school law in the nation by the Center for Education Reform in 2008 and the 7<sup>th</sup> best by CER in 2009 (the year in which CER criteria changed). Michigan's authorizers are also widely recognized as national models for their practices. For example, Central Michigan University's practices have been cited by the U.S. Department of Education in a report on outstanding on authorizers, and CMU's executive director had been invited to testify before the U.S. House Education and Labor Committee in 2009 on CMU's authorizing practices.

Because of this, we believe that Michigan's authorizers can play a substantial role in helping Michigan become more competitive for the Race to the Top grant. The types of quality controls that the grant criteria require are already in place. However, growth of quality charters is hindered due to artificial limitations placed on chartering activity. Discussions of automatic closure should take into account the population of students served and whether or not a school is meeting its educational goals. Because of this, authorizers have developed systems and practices of individual oversight for the schools we charter. As the Legislature deliberates the issue of automatic closure, we have a level of experience and knowledge of dealing with underserved populations.

With this in mind, we wanted to share with you the following information about Michigan's law and our practices to help as you make your deliberations toward "Race to the Top" legislation. As it relates to charter schools:

- **Federal "Race to the Top" guidelines require that the state does not prohibit or effectively inhibit increasing the number of high performing charter schools in the state. (F)(2)(i)**

Michigan's primary charter schools law, Part 6a of the Revised School Code, allows four types of public educational bodies to authorize public school academies, including state public universities, community colleges, intermediate school districts, and local school districts. Michigan law artificially restricts the number of public school academies that state public



universities (Michigan's most active type of authorizer) to a total of 150, which has inhibited increasing the number of high-performing charters in Michigan. MCL 380.502(2)(d).

Michigan law also requires charter public schools authorized by local school districts to comply with the local school district's collective bargaining agreement. MCL 380.502(3)(i). A representative from the Michigan Association of School Boards has indicated that this requirement has effectively inhibited local school districts from acting as authorizers. This is evident in the number of local school districts that act as authorizers, and in the number of schools they charter.

Michigan law allows for **other** types of charter schools to be established—urban high school academies under Part 6c of the Revised School Code, and strict discipline academies under Sections 380.1311b and following of the Revised School Code. Urban high school academies can only be chartered by state public universities, are limited to a total of 15, and must be located within a school district of the first class. Currently, two schools are chartered under this part. Growth under this part is effectively inhibited because there is not currently a school district that meets the criteria to be a school district of the first class, which prevents state public universities from chartering under this part. Though any of the four types of authorizers can charter a strict discipline academy, and there are not any restrictions on the number of strict discipline academies that can be chartered, at strict discipline academies is restricted to enrolling only certain types of students (essentially, students who have been suspended, expelled, or are adjudicated) and the number that have been chartered in Michigan is limited.

- **Federal “Race to the Top” guidelines require that Michigan statutes, regulations, or guidelines include how charter school authorizers approve, monitor, hold accountable, reauthorize, and close charter schools; and whether authorizers require that student achievement to be one significant factor in authorization or renewal; serve high needs children and have closed ineffective charter schools. (F)(2)(ii)**

Michigan's current legal and regulatory framework addresses all of the items described in this section, and student achievement is a significant factor in all authorizing decisions. Because of this, Michigan's authorizers have become widely cited as national models for providing appropriate, quality oversight of the schools they charter.

The Revised School Code requires authorizers to provide oversight of the schools they charter that is “*sufficient to ensure that the authorizing body can certify that the public school academy is in compliance with statute, rules, and the terms of the contract.*” MCL 380.502(4). This requirement is unique to authorizers; school districts and other educational entities are not required to be able to certify the schools they operate or oversee are in compliance with all of their legal obligations.

In Michigan, authorizers’ competitive application process requires “A copy of the educational goals of the public school academy and the curricula to be offered and methods of pupil assessment to be used by the public school academy.” MCL 380.502(3)(e)(ii). Additional elements are required under MCL 380.503, and each authorizer also specifies in policy additional components which provide for a greater level of detail regarding the proposed school’s educational goals, curriculum, instructional design, assessment, personnel, business plan, facilities, and compliance.

Many times over, the School Code specifies that public school academies must state the educational goals to be achieved. MCL 380.503(5)(a) and 380.503(5)(b).

The School Code requires authorizers to oversee the academies they charter (MCL 380.502(4)) and ensure that the school complies with statute, rules and terms of the contract. The educational goals of the school are included in each contract which is the heart of a charter public school and the basis upon which a school is judged. (MCL 380.503(5)(b))

The Michigan Department of Education has established an “assurances and verification” program to monitor the required legal oversight of authorizers. The program studies the 18 authorizers’ requirements of their charter schools. The MDE has consistently reported that authorizers are active in their compliance monitoring<sup>1</sup> and have developed a broad range of tools and resources which support academic and fiscal performance<sup>2</sup>.

In a recent correspondence with authorizers, the MDE confirmed that they would continue to check that authorizers will ensure that the schools they authorize are in compliance, “as required in Section 502, Section 522 and Section 1311d of the Revised School Code, 1976 PA 451, MCL 380.502, MCL 380.522 and MCL 380.1311d, respectively. . . *An authorizer’s failure to engage*

---

<sup>1</sup> Michigan Department of Education, *2006 Public School Academy Report to the Legislature*. November, 2006. Page 37.

<sup>2</sup> Michigan Department of Education, *2008 Public School Academy Report to the Legislature*. February, 2009. Page 13.

*in appropriate continuing oversight will be noted and may result in the suspension of powers under Section 502 of the Revised School Code, MCL 380.502.”<sup>3</sup>(Emphasis added)*

To meet and exceed statutorily required oversight, The Council has adopted principles and standards regarding authorizer oversight and accountability measures for their schools.<sup>4</sup> These principals and standards are recognized as national models, and have been a basis for the National Association of Charter School Authorizers authorizing standards. Part of these standards include routine accountability oversight through testing.

Preliminary analysis indicates that students who enroll in charter schools come in an average of 1-1/2 years behind grade level. Many authorizers require and fund standardized tests that measure student growth over the course of an academic year. These tests measure accurately at which grade level a student is functioning, student growth and whether the student is on track to meet or exceed proficiency. Many authorizers require these tests to be taken at least twice per year.

Testing is one part of the overall structure of the charter schoool and its responsibilities. Reauthorization of a contract is not required. Reauthorization decisions made by authorizing bodies are based on a public school academy’s performance during the term of its contract in accordance with policies adopted by authorizing bodies. Authorizing bodies are guided by determining whether the public school academy’s program is successful, whether the public school academy’s organization is viable, and whether the public school academy is demonstrating good faith in following the terms of its contract and applicable law. *Note that the three core questions are substantially similar to the elements that the Race to the Top grant criteria establish in defining a “high-performing charter school”.*

Authorizers may revoke a contract for “[f]ailure of the public school academy to abide by and meet the educational goals set forth in the contract,” failure to meet certain accounting standards, failure to comply with applicable law, or any other term specified in its contract.” MCL 380.507(2). When a school is unable or unwilling to make the necessary changes to meet the expectations of the contract, an authorizer may make the decision to close a school. Between not

---

<sup>3</sup> Michigan Department of Education, Memo regarding *Documentation of Compliance with Construction and Fire Safety Code & Law*, December 2, 2009.

<sup>4</sup> Michigan Council of Charter School Authorizers. *Public School Academy Oversight and Accountability Standards*. Online at [http://www.mccsa.us/pdf/MCCSA\\_04\\_AccStds\\_11.pdf](http://www.mccsa.us/pdf/MCCSA_04_AccStds_11.pdf)



reauthorizing schools for performance and revocation of contracts, a total of 27 charter schools have been closed in Michigan.

Charter schools serve high needs students: Public school academies are required to adhere to open admissions policies, and are prohibited from “discriminat[ing] in its pupil admissions policies or practices on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a student with a disability, or any other basis that would be illegal if used by a school district.” MCL 380.504(1). If more students apply than space is available, a public school academy is required to select students by a random selection process. As a result, the ethnic composition of students at public school academies closely mirrors the ethnic makeup of the traditional school districts in which 75% of Michigan charter schools are located, according to the Michigan Department of Education (MDE).<sup>5</sup> MDE also reports that 57.4% of public school academy students are eligible for free- or reduced-price lunch (compared to 63.2% of comparable host districts and 36.2% of traditional public schools statewide).<sup>6</sup>

As you can see from the listing above, Michigan law is quite extensive in prescribing authorizer requirements. We respectfully request that you take this into consideration as you are developing new legislation that fulfills “Race to the Top” requirements.

Other “Race to the Top” guidelines show that Michigan is not in line with the requirements.

- **Federal “Race to the Top” guidelines require that the state’s charter schools receive equitable funding compared to traditional public schools (F)(2)(iii) and that the state provides funding and supports access to facilities (F)(2)(iv).**

According to MDE, Michigan charter schools receive, on average, \$1,778 less than their comparable local school districts.<sup>7</sup> This is the result of a number of factors.

Michigan’s provides all public schools with a basic, per-pupil amount for operating purposes. This is referred to as a “foundation allowance.” Foundation allowances for charter schools are based on where the charter school is located; however, it is capped. MCL 388.1620(25)(h). This results in an average difference of \$519 below their comparable local school districts.<sup>8</sup> This gap

---

<sup>5</sup> Michigan Department of Education, *2008 Public School Academy Report to the Legislature*. February, 2009. Page 7.

<sup>6</sup> Ibid, Page 8.

<sup>7</sup> Michigan Department of Education, *2008 Public School Academy Report to the Legislature*. February, 2009. Page 31.

<sup>8</sup> Ibid. Page 30.

can range as high as approximately \$4,000 per student in some districts. Lower foundation allowances also result in public school academies receiving lower per-pupil amounts for “at-risk” students because “at-risk” funds are calculated as a percent of the foundation allowance. MCL 388.1631a(3). Additionally, charter schools are not eligible for many “categorical” grant programs, such as “declining enrollment” payments, that school districts receive. MCL 388.1629. Inequities in facilities financing also contribute to overall funding disparities.

The Michigan Legislature has not appropriated public school academies for the leasing, purchase, or improvement of facilities. Public school academies also cannot levy millages or other supports for facilities.<sup>9</sup> Consequently, all facility-related expenses must come from a public school academy’s foundation allowance. Michigan law restricts the amount of the foundation allowance that can be expended on facilities to 20%. MCL 388.1618(1).

Michigan law neither imposes any facility-related requirements on public school academies that are stricter than those applied to traditional public schools, nor provides for any assistance with facilities acquisition or access to public facilities (i.e., the right of first refusal for the lease or purchase of vacated school buildings).

Established by executive order (EO 2002-3), the Michigan Public Educational Facilities Authority (MPEFA) provides public school academies with the ability to access the state’s credit rating and tax-exempt status for short- and long-term borrowing. MPEFA also provides public school academies with access to federal credit enhancement grant funds; however, Michigan does not provide additional state funds for credit enhancement purposes.

Federal guidelines for Race to the Top funding also deal with selection criteria with which charter school Authorizers are experienced in managing, and may provide assistance to the state in their efforts to implement. These include:

- **Identifying and turning around persistently lowest achieving schools. (E)(2)(ii)**

Charter school authorizers have 15 years of experience in improving public education. Part of this includes the closure of underperforming schools. Authorizers have developed systems to

---

<sup>9</sup> Note that local school districts or intermediate districts that operate public school academies may share millage revenue with public school academies they operate (MCL 380.503a). However, because local school districts and intermediate districts do not operate any public school academies, this provision of state law does not have any effect:

assist schools by tracking performance based on a number of standardized expectations. Where deficiencies exist, authorizers have been able to turn around many low performing schools to meet the educational goals as set forth under the contract. In discussions regarding the lowest performing 5% of schools, authorizers have the experience to approach each school on an individual basis, and should not be forced arbitrarily close schools based on artificial standards. For example, a school for adjudicated youth may have lower test scores than a different type of charter school. This is not comparing apples to apples. Authorizers can help the state discern the implications of specific mission schools which require individual attention regarding achievement and closure.

- **Using evaluations to inform key decisions. (D)(2)(iv)**

Charter school authorizers within their contracts specify clear approaches to measuring student growth through the use of computer adaptive testing which quickly and clearly identifies student growth or stagnation. These tests allow for immediate remediation for the student which allows for responsive interventions.

Additionally, charter schools have implemented data systems to track student performance to teacher effectiveness.

- **Improving student outcomes (A)(3)(ii) and providing effective support to teachers and principals (D)(5).**

The use of computer adaptive testing has allowed charter schools to implement individualized education plans for students which may entail the use of different teaching methods to reach students with particular educational deficiencies.

The use of these strategies has demonstrated student improvement over time. For example, students in schools chartered by Central Michigan University for at least three years are more likely to be proficient in reading and math than students who have been enrolled for less than three years.

Because of the widespread use of this testing, charter schools have the experience in interpreting and utilizing the data to increase student growth by improving and adjusting teaching methods to the needs of the students.

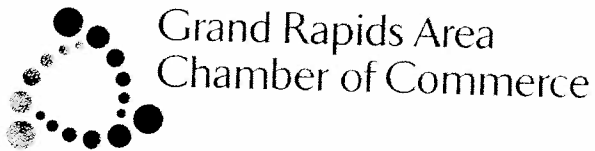




The Council again thanks you for your thoughtful study of education reform. We encourage you to expand high quality charter schools as Michigan authorizers are in a unique position by law and current practice to meet high quality standards and continue to encourage more high quality schools. Members of The Council stand ready to assist you in your efforts to improve education for every child in Michigan. Thank you for your extensive work and commitment.

Sincerely,

Billie Kops Wimmer  
Executive Director



## Grand Rapids Area Chamber of Commerce

December 8, 2009

Re: Race to the Top Education Reforms

Dear Representative:

On behalf of the Grand Rapids Area Chamber of Commerce (GRACC) and our 3,000 members, we offer our support for creating a more competitive, student oriented education system. The Department of Education's *Race to the Top Fund* (RTTT) has accelerated reform discussions the GRACC has supported for years.

The GRACC supports the following concepts encompassed in RTTT legislation:

- **Alternative Teacher Certification (ATC):** ATC gives districts an opportunity to place teachers with specific skill sets in environments that foster student success. Provisions that ensure ATCs include additional requirements by an authorizing body will protect the interests of students.
- **Failing schools:** Local school leaders need the ability to improve failing schools and implement alternative education delivery models. Removing the requirement for collective bargaining agreements and tenure status is a critical aspect in making this process successful.
- **Merit based pay:** We support measures to hold teachers accountable for student growth and achievement based on objective data, as well as provisions to terminate the employment of consistently ineffective teachers.
- **Schools of Excellence (SOE):** The WMCC supports competition and innovative educational opportunities to promote student success. Allowing authorized bodies to enter into agreements with qualified SOE fosters that competition. Eliminating collective bargaining agreements for SOE will give school leader's the capability to make them cost-effective.

Our future economic security and prosperity demands a generation of graduates with academic superiority, world-class technical skills, and creative analytical minds. Given the state's fiscal constraints, it is imperative that schools are given this flexibility to implement innovative educational opportunities.

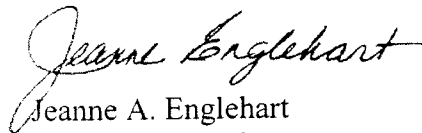
*Connect. Grow.*  
**Succeed!**

111 Pearl Street NW  
Grand Rapids, MI 49503  
T 616.771.0300  
F 616.771.0318  
[www.grandrapids.org](http://www.grandrapids.org)

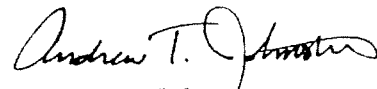
In addition to supporting the following concepts, **the Chamber urges you to oppose efforts to repeal the post Labor Day school start.** In 2005, we supported the post Labor Day School start and efforts to encourage job growth for tourism, the states second largest industry. Removing the mandatory post Labor Day school start, in addition to current reductions in tourism promotion, will have a negative impact on many of our members and the state's economy. We do not believe the current law will adversely effect the state's application to receive RTTT funds.

The Chamber will continue to advocate for quality education and we encourage you to keep our thoughts in mind during your comprehensive review of this legislation. Please do not hesitate to contact us at 616.771.0300 in the future, if we can be of assistance.

Sincerely,



Jeanne A. Englehart  
President & CEO



Andrew T. Johnston  
Director of Legislative Affairs



Christopher Glass  
Public Policy Coordinator  
Public Policy & Government Affairs



Donna Ewigleben  
Education & Workforce Development  
Committee Chair



December 7, 2009

Representative Tim Melton  
Michigan's 29<sup>th</sup> House District  
P.O. Box 30014  
Lansing, MI 48909

Fax: 517-373-5061

Dear Representative Melton,

Please enter this letter into the record for the House Education Committee Hearing scheduled for Tuesday, December 8, 2009.

I am writing to express my concern for HB 5623. My concern does not stem from the state's desire to qualify for the Race to the Top (RTTT) federal funds for our public education system, but from the amendments that are attached to satisfy special interests that will trade an intended benefit into a loss for our state.

Public education funding is critical and our state's elected officials should take the necessary and required steps to qualify for these funds for the benefit of our children.

However, while these federal funds provide a short-term stimulus for education, on-going funding is what will maintain our education system. Funding from an improved tax base needs to be the long-term strategy for public education. Taxes that are generated from an improved business sector in our state are critical for the future of education.

Tourism is one of our state's largest industries and amendments attached to HB 5623 that serve to reverse our post-Labor Day school start is just one more strike against Michigan's economic recovery; and serves to reduce tax revenues that are desperately needed at this time for our state and for public education.

In the three short years between 2005, when post-Labor Day school start was initiated, and 2008, our revenue indicators for the Traverse City area show growth in August revenues of 22.8 percent. The economic strategy of post-Labor Day school start has been effective in stimulating business activity for our state. The benefits of tourism are not unique to the Traverse City Area. Tourism benefits all of Michigan's eighty-three counties and what's good for tourism is good for Michigan.



December 7, 2009  
Representative Melton  
Page two

I respectfully ask that our state's elected officials respond appropriately to the federal requirements to qualify for the RTTT funds, but do not lose sight of the bigger picture on Michigan's economic recovery and the role that the tourism industry plays in this much needed recovery.

To reverse post-Labor Day school start would be harmful for Michigan's tourism industry and all of those supporting industries that derive benefit from tourism. This would be a direction that would cost thousands of Michigan jobs at a time when Michigan can least afford more unemployment. And, ultimately it would serve to reduce tax revenues needed to support our state government along with public education.

For Michigan's sake, support the requirements necessary for RTTT but do not trade this benefit for losses in other business sectors.

Sincerely,

Brad Van Dommelen  
President  
Traverse City Convention & Visitors Bureau

CC: Representative Wayne Schmidt  
Representative Dan Scripps  
Representative Joel Sheltroun

Testimony

**HB 5623**

Presented to

**Education Committee  
House of Representatives  
State of Michigan**

Presented by

**Greg Ayers, President  
Discover Kalamazoo**

*Tuesday, December 8, 2009  
10:30 a.m. EST  
519 House Office Building – Lansing, MI*



**ORAL STATEMENT OF GREG AYERS  
PRESIDENT, DISCOVER KALAMAZOO  
EDUCATION COMMITTEE HEARING  
TUESDAY, DECEMBER 8, 2009**

Good Morning! To Chairman Melton and distinguished members of the Michigan House of Representatives Education Committee, I appreciate the opportunity to be with you today.

My name is Greg Ayers, and I have the pleasure of serving as the President of Discover Kalamazoo, the official destination marketing organization for all of Kalamazoo County. Formerly known as the Kalamazoo County Convention & Visitors Bureau, our team represents a community of nearly a quarter of a million people. Tourism is an extremely important industry in our local economy. The last studies available to us indicate more than \$200 million is spent annually by visitors, which helps support nearly 5,000 jobs in the hospitality industry.

While I am certain there are many good aspects of House Bill 5623 which will enhance public education in Michigan, I am here today to voice concerns shared by many with its current form. As you well know, the bill contains a provision which would allow schools to begin classes before the Labor Day holiday weekend. The tourism industry would be negatively impacted if such change were to take place. Please allow me to provide a couple of examples:

1. The golf industry is one of Michigan's greatest assets to promote to its residents and visitors alike. Many courses and clubs, from daily fee municipal golf courses to the top resorts throughout all of Michigan, employ young people to work their facilities. If schools were allowed to advance the beginning of their academic year by just a couple of weeks at the end of August/beginning of September, then golf courses would experience a difficult time in providing a high level of customer service.
2. In reviewing the website of the Michigan Festival and Events Association, I counted 25 events which took place after August 17 and another 15-20 held in the first week of September (through Labor Day) in 2009. These festivals and events were held all over Michigan, in destinations of all different sizes. I believe it is safe to say these festivals and events are dependent on good attendance from families from Michigan and throughout the Midwest. As importantly, I would also suggest there are a number of young people who are asked to help in the set-up for these festivals and events to be a success. These festivals and events enhance our quality of place for all (residents and visitors) to enjoy in Michigan.

This is not just about Michigan families travelling within the state in the final weeks of August and early September. This is about the ability to properly host and extend our warm hospitality to out-of-state visitors at our area attractions, festivals and events. Specifically in southwest Michigan, our destinations draw visitors from Chicago (especially in the summer

months). It is important to note many of the schools in the Chicago metropolitan area begin their school year on the Tuesday after Labor Day.

The promotion of Michigan's tourism industry is much more than just "woods and water." It also includes urban destinations like Detroit, Grand Rapids, Flint, Lansing, Ann Arbor, Saginaw and Kalamazoo. Because of the sheer size of these communities, it is safe to say they are even more impacted by a change in the beginning of the school year depleting their labor force.

One of the great things about Kalamazoo is the presence of more than 40,000 college students, of which more than 25,000 attend Western Michigan University. They have begun their fall semester on the day after Labor Day for the past several years. How nice to have the many parents who are educators at Western Michigan University be able to begin their school year at the same time as their children – thus, maximizing family time for travel in and around Michigan.

Combined with the relative uncertainty of sustaining the promotion of the award-winning *Pure Michigan* campaign, we cannot afford to have Michigan's third most relevant industry suffer any additional setbacks. A reduction in tax revenues realized from tourism expenditures has a direct correlation to educating our children.

Michigan's Post Labor Day School law benefits all segments of the state's tourism industry. I strongly urge you amend House Bill 5623 and provide one of our state's greatest assets the best opportunity to generate commerce in a state so desperately needing it. Thank you for your consideration!



September 28, 2005

The Honorable Jennifer Granholm  
Governor, State of Michigan  
P.O. Box 30013  
Lansing, MI 48909

Dear Governor Granholm:

On behalf of the West Michigan Chamber Coalition and our 6,000 members, we encourage you to support HB 4803. Michigan's economy has been lagging for several months with high unemployment rates and jobs continuing to leave this state. You have the ability to help positively influence the state's tourism industry by supporting the after Labor Day school start date legislation.

As a regional Chamber Coalition, this is a top priority for the 2006 - 2007 school year. We want to make sure the tourism industry, which we heavily rely on, remains viable and summer travelers continue through Labor Day. Many school districts, throughout our region, have already adopted this concept. Now is the time to act, ensuring all school districts across Michigan are assisting in supporting the second largest industry in our state's economy. In addition, starting school after Labor Day will have a financial benefit to school districts in terms of busing, lighting and janitorial services.

Again, we encourage your support of our state's tourism industry and ask you to sign HB 4803 into law. If you have any questions, please do not hesitate to contact Jared Rodriguez with the Grand Rapids Area Chamber of Commerce at (616) 771-0300.

Sincerely,

A handwritten signature in cursive script that reads "Jane Clark".

Jane Clark, President  
Holland Area Chamber of Commerce

A handwritten signature in cursive script that reads "Jeanne Englehart".

Jeanne A. Englehart, President  
Grand Rapids Area Chamber of Commerce

A handwritten signature in cursive script that reads "Joy A. Gaasch".

Joy Gaasch, President  
Grand Haven/Ferrysburg/Spring Lake Chamber

A handwritten signature in cursive script that reads "Cindy Larsen".

Cindy Larsen, President  
Muskegon Area Chamber of Commerce

cc: Senate  
House of Representatives

**Charter School Expansion & "Race to the Top"  
Testimony of MAPSA's Dan Quisenberry  
House Education Committee  
December 8, 2009**

- Good morning, Chairman Melton and committee members. My name is Dan Quisenberry and I'm the President of MAPSA, the state's charter school association.
- You've heard considerable testimony regarding the \$4.35 billion "Race to the Top" program, and Michigan will be applying for up to \$600 million in these funds next month.
- We should all remember that 50% of these funds must go to every school district in the state, which will help offset recent cuts to the per-pupil foundation grant.
- There is consensus Michigan will not compete for these funds without first addressing a short list of key education reforms, including the expansion of quality public charter schools.
- There is no question Michigan's law capping the number of university-authorized charter schools inhibits the increase of high-performing charters and restricts student enrollment, which is directly addressed in section F(2) of the "Race to the Top" selection criteria.
- In fact, of the 19 individually scored criteria in the grant application, only three reforms earn more points than the need for quality charter expansion.
- Michigan has been at this legislative cap since 1999, the majority of public charter schools are at capacity and tens of thousands of families are on waiting lists for an open spot in a charter.
- There are over 100 applicant groups at various stages of planning for new public charter schools in the state, and the application process for an available university-authorized charter can easily attract up to 80 applicants.
- Our public universities are by far the most active charter authorizers in the state, since 85% of our charter schools are authorized by public universities and a few community colleges.
- While state law allows intermediate school districts and local school districts to open public charter schools, less than 3% of these authorizers have ever opened a charter school.
- MAPSA supports each of the five bills introduced this session to expand university-authorized public charter schools. We feel the bills introduced by Senator Thomas and Representative Jackson most clearly match the guidelines articulated in the Race for the Top program.
- According the data reported by the Michigan Department of Education, students in Michigan's charter schools – most of whom are at-risk, minority or economically disadvantaged – are performing better academically than students in similar traditional school districts.
- We encourage this committee, and your colleagues in the House of Representatives, to pass a bill to expand opportunities for university-authorized public charter schools.
- Thank you for your attention, and I'd be happy to answer any questions.



## **Testimony in Opposition of House Bill 5623**

**Tuesday, December 8, 2009**

**Ken Hayward, Grand Hotel**

My name is Ken Hayward and I am the vice president of sales and marketing for Grand Hotel on Mackinac Island. I am also currently the chairman of the Michigan Travel Commission. I am here today to voice opposition to House Bill 5623 as it is currently written.

Post Labor Day school legislation is even more important today than it was when it was signed into law a little over four years ago.

Tourism in our state is seasonal. That is clearly evident in northern Michigan and even more dramatic on Mackinac Island where businesses close for the winter. There are only so many days when you can boat, golf, ski, snowmobile, and take a family vacation, which the school schedule dictates. In our business, summer is known as peak season. But true peak season comes during the traditional family vacation months of July and August. That's typically eight weeks, but depending on when Labor Day falls, can extend to a ninth week as it did this year.

Because parents usually shop for school clothes and supplies a week or so before school starts, allowing schools to go back before Labor Day would eliminate anywhere from a minimum of two to three weeks of prime family vacation time.



The loss of the opportunity to generate sales during the peak of the summer will drop August revenues anywhere from 30% to 40%. With the economy the way it is, and hotel occupancy levels already off 10% to 20% or more, we cannot afford to lose these peak weeks. More importantly, the state cannot afford to lose the tax revenue from these peak times, nor can our schools afford any additional budget cuts that would result from such losses in tax revenues.

Here is an example of what I am talking about. 2008 was the first year our post Labor Day school law went into full effect. The economy was better than now, but still not wonderful. As a result of Post Labor day schools, we did 99.9% occupancy. That was the best single month of occupancy in the 123-year history of Grand Hotel. In the years previous to that, when many schools opened in mid-August our average August occupancy was nowhere near such levels. Post Labor Day schools allowed us to make such gains. I am not sharing this to be boastful. I share it to let you know that those kinds of increases in August are what keeps our independent, family-owned property in business and able to employ our staff at peak levels and pass along tax dollars to the state.

In the past two years, we've seen the state close budget deficits that totaled \$5 billion dollars. This year's bankruptcies of GM and Chrysler will create additional budget deficits in the future.

With high unemployment levels and all of the stresses on the state budget, it would seem we would want to grow Michigan businesses of all kinds. Doing away with a law that your predecessors realized was a great value to the state's third largest industry simply seems counterproductive.

Our industry is already in jeopardy of losing state funding for the Pure Michigan campaign. That loss, combined with repeal of our post Labor Day school law will be devastating to our industry, and result in lower tax revenues to support state schools.

Schools already have the ability to extend deeper into the month of June when weather is typically much cooler in our resort areas. When Michigan's economy improves, the state will reap even greater tax revenues from allowing Michigan families to vacation in the much more predictably warm summer months of July, and all of August.

In closing, I ask that amending the post Labor Day school language be stripped from the bill or that you vote against House Bill 5623.

Michigan Golf Course Owners Association

Testimony against

HB 5623

House Education Committee

December 8, 2009

Chairman Tim Melton and committee members,

Good morning. My name is Kate Moore and I am the executive director of the Michigan Golf Course Owners Association and opposed to HB 5623 in its current form.

There are almost 900 courses in the State of Michigan, more public golf courses than any other state in the country. The direct effect of this number is reflected in 29,400 jobs with associated payroll taxes. Indirectly golfers spend additional dollars on lodging, meals, gas, transportation, clothing and equipment and other activities. It is estimated up to an additional 27,500 jobs with associated payroll taxes in Michigan are indirectly created by the golf industry. Total job impact almost 57,000.

When PLDS was passed, it insured that our industry would have more time to do business and that directly relates to more people working more hours. How could we even think of affecting this employment situation in these drastic unemployment days?

PLDS is not just a benefit to resort areas. The golf industry has a 4.2 billion dollar direct and indirect impact in our state.

Reversal of Michigan's post Labor Day school law will cause the peak tourism season to be reduced anywhere from 3-4 weeks. This will result in an estimated loss of tourism sales and use tax revenues of between 37%-44% for the prime family vacation months of July and August. That means a key loss of high traffic, high revenue weeks in August and the first part of September. And that means both revenue for the state and jobs lost.

I respectfully request committee members to strip this language from the bill, or failing that vote against HB 5623.

Kate M Moore, Executive Director  
Michigan Golf Course Owners Association  
603 S Washington  
Lansing, MI 48933  
517-482-4312